

CENTRAL INTELLIGENCE GROUP
INTELLIGENCE REPORT

COUNTRY China

SUBJECT Economic Information: Economic Conditions in Chientao Province

DATE: 25X1A2g
INFO. [redacted]
DIST. 29 November 1946

ORIGIN [redacted] 25X1A6a
25X1X6

This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 10 October 1973 from the Director of Central Intelligence to the Archivist of the United States.

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SUPPLEMENT



1. Coal Production
a. The coal mine at Laot'oukou (129-10, 42-54) was being operated by the Chinese Communists when last observed by [redacted] Production, which varies owing to electricity failures and lack of parts for worn machinery, averages 200 tons a day.
b. Up to 1 July 1946 Shaft #4 was mined. On that date there was a fire in the shaft, and now Shafts #2 and #3 are in use.
c. Under the Japanese, the mine consisted of four shafts and was operated by the Manchuria Railroad Company, with a daily production of 7,000 tons.
d. At Holung (129-33, 42-38) there are two shafts of the Manchuria Tonko Kabushikikaisha and three shafts of Sanwa Kogyo Mining Companies. The Chinese Communists are attempting to put them in operation, but as yet there is no production. They are, however, drawing on the stockpile, which consisted of 8,000 tons in August 1945. The size of the present stockpile is unknown to [redacted] The coal from the above three mines is being used by the Communist-operated railroads.

2. Other Production
a. At Yenchi (129-31, 42-55) there are small firms repairing machinery. The farm machine tool plant was moved from Yenchi on 1 July to Hanchun (130-22, 42-52). Also moved to the same place was the repair machinery from the Laot'oukou coal mine.
b. The Chinese Communists are still using Japanese technicians. In Yenchi twenty are now employed.

3. Food Situation
Even under the Japanese, Chien Tao Province was a food-importing district. Now with communications in a state of confusion, the situation is critical. During the month of June [redacted] wife and 2 children died of starvation. The Communists have shipped in trainloads of food for sale to the Manchus and Chinese, and also, though at a higher price, to the Japanese. The price of kaoliang was 650 yen for 16 kilos. The price of rice is unknown. (Note: No reports have been received previously of food shortages this area.)

4. Currency
There are four kinds of notes in circulation, all of equal value and desirability. There is Manchukuo currency; Soviet Military notes; and two kinds of currency issued by the Chinese Communists, Chitung Bank Notes and Tung Pei Bank Notes.

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~~CONFIDENTIAL~~5. Yenching City Conditions

Yenching has lights and water as usual. There is peace and good order. There are no new public installations being erected. The Korean Communist Headquarters is in the former Japanese Takumi [Construction or Works] Office; the Chinese Communists have their headquarters in the former Provincial Government Police Training School.

6. Rail Lines

Trains run once a day between Yenching and Tunhua (128-14, 43-12), a two hour trip. [redacted] walked along rail line. No Japanese are permitted on the trains. The rail trip from Tunhua to Chiaoh (127-20, 43-43) took three hours. From Chiaoh to Maanshan (128-45, 44-18) by train took 40 minutes. He observed that the lines are all standard gauge. He did not see, nor was he informed, of any new rail construction.

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